FY01-XL-106
LIGNITE VISION 21 POWER PLANT PROJECT

CONTRACTOR: **Great River Energy**

PRINCIPAL INVESTIGATOR:

Richard Lancaster
763-241-2428 (O)
rlancaster@grenergy.com

Gordon Westerlind
763-241-2263 (O)
gwesterlind@grenergy.com

PROJECT MANAGER:

Tim Seck
763-241-2278 (O)
tseck@grenergy.com

PARTICIPANTS

Sponsor	**Cost Share**
Great River Energy	
Phase I	$2,857,750
Phase II	$728,039,250
Total	$730,897,000
ND Industrial Commission	
Phase I	$2,857,750
Phase II	$7,142,250
Total	$10,000,000
Total Project Cost	**$740,897,000**

Phase I Project Schedule – 20 months

Contract Date –7/25/2001
Start Date – 4/15/2001
Completion Date – 12/31/2002

Project Deliverables

Quarterly Report –7/18/2001 ✓
Quarterly Report – 10/15/2001 ✓
Quarter Report – 1/15/2002 ✓
Quarterly Report – ~~4/15/2002~~
Quarterly Report – ~~7/18/2002~~
Draft Final Report – ~~10/31/2002~~
Final Report – ~~12/15/2002~~

OBJECTIVE / STATEMENT OF WORK

The objective of this Lignite Vision 21 Project (LV 21) is the construction of a new 500MW, lignite-fired base load power plant in North Dakota. Phase I of the project submitted by Great River Energy (GRE) is a detailed feasibility study in the areas of: 1) Environmental /

Siting; 2) Generation; 3) Transmission; and 4) Business Development activities. The Phase I budget contains an estimated time frame of about two years. GRE outlines Phase II as project implementation including the areas of: 1) Permitting/Siting; 2) Plant Engineering; 3) Plant Construction; 4) Transmission Engineering; 5) Transmission Construction; and 6) Plant Startup. The Phase II budget contains an estimated time frame of about six years.

STATUS

During the first quarter, GRE developed detailed scopes of work, budgets and timelines for the Phase I activities. The following subcontractors were selected in the four study areas 1) Environmental - Earth Tech and Houston Engineering, 2) Generation – Stone & Webster, 3) Transmission – ABB, and 4) Business Development – RESOLVE. An initial task was to narrow the number of potential sites to three. During the second quarter the subcontractors were working in their respective areas.

In January, 2003, GRE decided to not proceed with the Lignite Vision 21 project based on load projections that indicate an intermediate or combined cycle power plant in Minnesota would best serve their needs, in addition to the current state of uncertainty regarding transmission policies and regulations and the high cost building transmission lines played a large role in GRE's decision.